GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:375
ANSWERED ON:14.12.2001
EXPORT OF SUGAR
ASHOK NAMDEORAO MOHOL;RAMSHETH THAKUR

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Union Government are contemplating to defray internal transport expenses and freight costs on export shipments of sugar to make Indian sugar price competitive in the international market;

(b) if so, the details thereof;

(c) the details of the existing incentives given to the exporters to boost sugar exports;

(d) the extent to which the existing measures helped the export of sugar; and

(e) the extent to which the additional facilities would help the export of sugar?

Answer

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHANTA KUMAR)

(a),(b),(c),(d)&(e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a),(b),(c),(d)&(e) OF STARRED QUESTION NO. 375 DUE FOR ANSWER ON 14-12-2001 IN THE LOK SABHA.

(a)&(b): With a view to promoting export of sugar, the Government has decided to undertake legislation to amend the Sugar Development Fund Act, 1982 to enable it to utilize the Sugar Development Fund, inter alia, for defraying expenditure on internal transport and freight incurred by the sugar factories on export shipments of sugar.

(c)&(d): In order to boost the export of sugar, the Government has taken the following measures:

- The quantitative restrictions on the export of sugar have been lifted.

- The requirement of registration with the Agricultural Processed Food Export Development Agency (APEDA) has been dispensed with.

- Sugar factories exporting sugar have been allowed exemption from levy on the quantity of sugar exported.

- The adjustment in freesale stocks of sugar factories exporting sugar, which was being made at the end of 12 months from the date of export, has been increased to 18 months.

- Duty Entitlement Pass Book (DEPB) benefit @ 5% on the f.o.b. value of exports has been allowed on export of sugar.

During the 2000-2001 sugar season (October-September), it is provisionally estimated, based on information received from trade

circles, that about 12.5 lakh tonnes of sugar has been exported.

(e) The sugar factories in India are dispersed in the rural areas. In many cases, distance from the sugar factory to the nearest port is very long. Therefore, defraying expenditure on internal transport and freight charges is expected to encourage sugar factories to export more sugar.